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Department for PM/DTCC - BLUE LANTERN COORDINATOR

E.O. 12958: NA  
TAGS: [ETTC](#) [KOMC](#) [PO](#)  
SUBJECT: Blue Lantern Reply on Application 050096455

REF: State 34180

¶1. (U) Per reftel request, Emboff visited the Portuguese company Aerohelice on April 28 for a pre-license check. Aerohelice is a locally-owned business, founded in 1982, in Azedia, Portugal. The company has 18 employees, most of whom are former employees of OGMA (the partially state-owned aerospace depot). The company's business is aircraft maintenance and its work load is approximately 80% civilian and 20% military aviation.

¶2. (U) Aerohelice overhauls propellers, brakes, and wheels. The company is also capable of non-destructive testing and surface treatments. Total sales average approximately 1.3 million euros per year, and its civilian customers include companies in other EU countries as well as Morocco and Cape Verde. Aerohelice's only military customer is the Portuguese Air Force, and its military work includes propeller and wheel overhauls for P-3, C-130, C-212, and Epsilon aircraft.

¶3. (U) Aerohelice has a busy, but modest, facility. On-site security includes a set of heavy iron doors over the entrances and an alarm system. Pedro Horta, Aerohelice's account manager, reported that the company had not faced any security problems. Horta proved to be quite familiar with re-export and retransfer restrictions for U.S. munitions list articles. He noted that a good deal of his work was with U.S.-origin material and was eager to show his internet bookmarks to current trade control regulations on PM/DTCC's webpage.

¶4. (U) Horta spoke in depth regarding the particulars of his purchase order 118, the trigger of this Blue Lantern. He stated that all requested parts were necessary to complete wheel overhauls for Portuguese Air Force C-130s/P-3s. Numerous propellers and wheels in mid-work were clearly labeled Portuguese Air Force. Horta also provided several Air Force work requests. He stressed his readiness to provide additional information required by the U.S. government in the future.

¶5. (U) Based on the visit, it seems that Aerohelice ordered the aircraft spare parts for the sole purpose of performing maintenance on Portuguese Air Force aircraft, as stated on the license.